United Nations A/57/85

General Assembly

Distr.: General
7 June 2002

Original: English

Fifty-seventh session
Item 113 of the preliminary list*
**Review of the efficiency of the administrative and financial functioning of the United Nations**

# Proposed programme budget outline for the biennium 2004-2005

## Report of the Secretary-General

*Summary*

By its resolution 41/213 of 19 December 1986, the General Assembly, inter alia, requested the Secretary-General to submit, in off-budget years, an outline of the proposed programme budget for the following biennium. Accordingly, the outline for the biennium 2004-2005 is hereby submitted. The level of the contingency fund for the biennium 2004-2005 is recommended to be set at 0.75 per cent of the overall level of the proposed programme budget outline.

* A/57/50/Rev.1.

02-41755 (E) 110602

BEST COPY AVAILABLE

# I. Introduction

1. In accordance with the provisions of annex I to General Assembly resolution 41/213 of 19 December 1986, the Secretary-General submits, in off-budget years, an outline of the programme budget for the following biennium, which should contain an indication of the following:

(a) Preliminary estimate of resources to accommodate the proposed programme of activities during the biennium;

(b) Priorities, reflecting general trends of a broad sectoral nature;

(c) Real growth, positive or negative, compared with the previous budget;

(d) Size of the contingency fund expressed as a percentage of the overall level of resources.

The outline for the biennium 2004-2005 is hereby submitted. The Secretary-General will submit reform proposals pertaining to the continued process of strengthening the Organization in September to the General Assembly at its fifty-seventh session. Any implications that the reform would have for the proposed programme budget outline will be addressed at the fifty-seventh session.

# II. Preliminary estimate of resources needed to accommodate the proposed programme of activities during the biennium

2. In establishing a preliminary estimate of resources for the biennium 2004-2005, the approved level of appropriations and related commitments, namely, $2,699.9 million, was taken as the starting point. These existing provisions consist of the initial appropriation of $2,625.2 million; a subsequent commitment of $0.7 million authorized by the General Assembly for the comprehensive implementation of and follow-up to the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance; and decisions, as of the time of writing, taken in informal consultations of the Fifth Committee including $59.3 million for strengthening the security and safety of United Nations premises; $12.6 million for the United Nations Assistance Mission in Afghanistan; and $2.1 million for the United Nations Tajikistan Office for Peace-building. The preliminary estimate, expressed in 2002-2003 prices, has been arrived at as follows:

| *Proposed programme budget outline for 2004-2005* | | *Millions of United States dollars* |
|---|---|---|
| Appropriations for 2002-2003[a] | | 2 699.9 |
| Plus: Full provision for new posts approved in 2002-2003 (para. 3) | 25.3 | |
| Less: One-time costs in 2002-2003 (para. 4) | (47.8) | |
| Plus: Provision for appropriate information technology and common services infrastructure (para. 5) | 29.8 | |
| Plus: Provision for new or expanded activities/events foreseen and/or mandated in 2004-2005 (para. 6) | 40.5 | |
| **Changes** | | **47.8** |
| **Subtotal** | | **2 747.7** |
| **Additional provision required for special political missions at the current programme level** | | **110.2** |
| **Preliminary estimate for established activities 2004-2005** | | **2 857.9** |

[a] Includes initial appropriation, subsequent commitments and decisions as of the time of writing taken in informal consultations of the Fifth Committee, yet to be confirmed by formal meetings of the Fifth Committee and of the plenary of the General Assembly.

## A. Full provision for new posts

3. It will be recalled that for the programme budget for the biennium 2000-2001, the General Assembly decided, on the recommendation of the Advisory Committee on Administrative and Budgetary Questions, that provisions for new posts at the Professional level and above should be costed at 50 per cent. The same procedure was followed for the biennium 2002-2003. The full biennial provision in 2004-2005 for those posts which were newly established in the biennium 2002-2003 and at present are only partially funded in the 2002-2003 biennium would require an additional $25.3 million in the biennium 2004-2005. This additional provision is required to maintain the regular budget established post staffing table at the same level of posts as has been already approved for the biennium 2002-2003. It is anticipated at present that in preparing the proposals for the biennium 2004-2005 consideration will be given to costing all new post proposals on a full-cost basis to avoid the delayed impact of growth in the biennium 2004-2005, prejudicing the level of estimates for the biennium 2006-2007.

## B. One-time costs in 2002-2003

4. One-time costs in 2002-2003 amounting to $47.8 million would not be required. Those provisions relate mainly to one-time construction costs associated with security enhancements at Headquarters and offices away from Headquarters. In addition, these are non-recurrent costs for substantive and public information support for the special session of the General Assembly and associated plenary meetings on children and for special conferences on financing for development, the

Second World Assembly on Ageing and the World Summit on Sustainable Development. For the purpose of the present report, all costs provided in 2002-2003 for special political missions have been treated as being of a recurrent nature.

## C. Provision for appropriate information technology and common services infrastructure

5. These preliminary estimates for the biennium 2004-2005 include a provision of $29.8 million in respect of the need to ensure that information technology and common services facilities infrastructure are brought to levels which will not prejudice programme delivery. Attempts to provide adequate services to delegations and programmes within the reduced level of real resources available in the biennium 2002-2003 have only been partially successful. Some limited efficiencies have been realized as a result of following a more disciplined meeting schedule. However, some of the other service cutbacks, while reducing the level of expenditures, have had the undesired effect of negatively impacting the quality of service delivery and cannot be sustained in the long run without becoming counterproductive and reducing productivity. Accordingly, a limited allocation of resources to supplement information technology and common services is envisaged to be distributed across the parts of the budget which were affected by the economy measures instituted, consequent upon the adoption of the 2002-2003 initial appropriations.

## D. Provision for programme changes in 2004-2005

6. During the biennium 2004-2005, implementation of the programme budget will include continued reinforcement of programmes to enhance capacity for meeting the United Nations Millennium Declaration goals in accordance with the strategies outlined in the "Road map" (A/56/326). Accordingly, resources are foreseen to strengthen peace-building, human rights and humanitarian assistance, the economic and social sector, as well as conference-servicing and the United Nations Office at Nairobi. The following meetings and conferences are foreseen in the next biennium: the special session of the General Assembly on small island developing States; the special session of the General Assembly on population development; the Eleventh United Nations Congress on the Prevention of Crime and the Treatment of Offenders; the special session of the General Assembly on women; and the special session of the General Assembly on the World Summit for Social Development. In this regard, relevant estimated requirements for public information support for these conferences are included in the preliminary estimates. Provisions are also envisaged for follow-on requirements for strengthening of the security infrastructure in Geneva, including additional building protection improvements and implementation of the second phase of the intermediate surveillance system. As a result of the strengthening of these areas, projected requirements amounting to a 1.5 per cent growth of programme resources, or $40.5 million, are foreseen as needs for the biennium 2004-2005.

## E. Special political missions

7. The General Assembly initially authorized some $98.4 million to be available in the biennium 2002-2003 to provide funding for such special political missions as might be authorized by the Assembly and the Security Council. Subsequently, some $14.7 million of additional resources (i.e., $12.6 million for the United Nations Assistance Mission in Afghanistan and $2.1 million for the United Nations Tajikistan Office for Peace-building) was approved under revised appropriations considered at the second part of the resumed fifty-seventh session. While the combined revised provision of $113.1 million could have been maintained in the outline for the 2004-2005 programme budget, such a course would seriously underestimate likely requirements as it would provide only about half of currently anticipated biennial requirements. It is estimated that full biennial provision in 2004-2005 for special political missions currently existing in the biennium 2002-2003 would amount to $223.3 million, thus requiring an increase of $110.2 million. While the present composition of special political missions will change somewhat in the biennium 2004-2005, it is not anticipated that the overall level will trend downwards.

8. Special political missions clearly exhibit characteristics which set them apart from other activities of the Organization financed from the regular budget. The structures in each of those missions do not form a part of the organizational structure of the United Nations Secretariat. Their activities are directed towards operational matters and as such do not lend themselves to full integration with the work programme of the Secretariat. The procedures followed for the initiation of the missions, either through the Security Council or the General Assembly, do not follow the normal programme planning and budgeting cycle. They may be, and are, approved at any point of the calendar. Accordingly, their timing and the related resource requirements have consistently proven almost impossible to predict accurately. **Under the circumstances, the General Assembly may wish to consider whether special political missions are susceptible for treatment within the present regular budget procedures for estimating requirements in the budget outline and subsequent programme budgets.**

9. The Secretary-General intends to maximize the output effectiveness of the resources committed. The proposed programme budget for the biennium 2004-2005 will be subjected to the most intensive internal scrutiny within the Secretariat, and will clearly focus on what is to be delivered by way of the accomplishments expected of the programme with the resources committed. In particular, the review will include an item-by-item examination of programme outputs to ensure their contribution and relevance, under approved strategies, for the fullest possible achievement of expected accomplishments. Thus the budget proposals will reflect the benefit of further reviews of possible obsolete activities, additional cost-effective measures and simplified procedures.

10. The outline requirements would be subject in due course to recosting to biennium 2004-2005 costs. Such a recosting exercise will reflect, inter alia, changes due to both inflation and exchange rates. Experience has proven that exchange rates cannot be reliably predicted for the time periods involved. However, inflation adjustments may be more closely approximated at this stage and would extend to about $179.9 million on the assumption of cumulative annual inflation rates of 3.1 per cent prevailing through 2005. Accordingly, total requirements for the biennium

2004-2005 adjusted for inflation, but not yet for exchange rates, would amount to $3,037.8 million.

## III. Priorities reflecting general trends of a broad sectoral nature

11. The following priorities in the medium-term plan for the period 2002-2005[1] were approved in section I of General Assembly resolution 55/234 of 23 December 2000: maintenance of international peace and security; promotion of sustained economic growth and sustainable development in accordance with relevant General Assembly resolutions and recent United Nations conferences; development of Africa; promotion of human rights; effective coordination of humanitarian assistance efforts; promotion of justice and international law; disarmament; and drug control, crime prevention and combating international terrorism in all its forms and manifestations. **It is proposed that the programme budget for the biennium 2004-2005 should also manifest these priorities.** The proposed distribution of resources by parts of the budget is shown in the annex.

## IV. Real growth compared with the previous budget

12. **The preliminary estimate ($2,634.6 million), before inclusion of special political missions, represents an increase of $47.8 million, or 1.8 per cent, compared with the approved appropriations and related provisions for the biennium 2002-2003. Nearly two thirds of this increase relates to the supplementary provision for information technology and common services infrastructure required as a consequence of currently existing deficiencies. Once account is taken of the full inclusion of required provisions for special political missions, the total preliminary estimate of $2,857.9 million would represent an increase of $158.0 million, or 5.8 per cent, compared with existing provisions for the biennium 2002-2003.**

## V. Size of the contingency fund

13. The size of the contingency fund was set at 0.75 per cent of the overall level of resources for the first outline and for all subsequent ones. **It is recommended that the level again be set at 0.75 per cent, or $21.4 million, for the biennium 2004-2005.**

*Notes*

[1] *Official Records of the General Assembly, Fifty-fifth Session, Supplement No. 6* (A/55/6/Rev.1).

# Annex

## Preliminary indicative estimates for the biennium 2004-2005

(Millions of United States dollars)

| *Expenditure by part of programme budget* | *2002-2003 appropriation* | *Resource change* | | *Total* |
|---|---|---|---|---|
| | | *Amount* | *Percentage* | |
| I. Overall policy-making, direction and coordination | 499.1 | 5.3 | 1.1 | 504.4 |
| II. Political affairs (not including special political missions) | 149.8 | 5.6 | 3.7 | 155.4 |
| III. International justice and law | 59.1 | 1.9 | 3.2 | 61.0 |
| IV. International cooperation for development | 273.1 | 13.8 | 5.1 | 286.9 |
| V. Regional cooperation for development | 337.1 | 11.3 | 3.3 | 348.4 |
| VI. Human rights and humanitarian affairs | 133.0 | 7.8 | 5.8 | 140.8 |
| VII. Public information | 144.7 | 3.2 | 2.2 | 147.9 |
| VIII. Common support services | 440.9 | 25.1 | 5.7 | 466.0 |
| IX. Internal oversight | 20.3 | 0.5 | 2.3 | 20.8 |
| X. Jointly financed administrative activities and special expenses | 79.4 | 1.6 | 2.1 | 81.0 |
| XI. Capital expenditures | 87.3 | (37.7) | (43.2) | 49.6 |
| XII. Staff assessment | 349.9 | 9.4 | 2.7 | 359.3 |
| XIII. Development Account | 13.1 | - | - | 13.1 |
| **Regular budget established activities 2004-2005** | **2 586.8** | **47.8** | **1.8** | **2 634.6** |
| **Provision for special political missions** | **113.1** | **110.2** | **97.4** | **223.3** |
| **Total** | **2 699.9** | **158.0** | **5.8** | **2 857.9** |

United Nations A/57/86–S/2002/649

General Assembly
Security Council

Distr.: General
7 June 2002
English
Original: Arabic

**General Assembly**
**Fifty-seventh session**
Item 48 of the preliminary list*
**Armed Israeli aggression against the Iraqi nuclear installations and its grave consequences for the established international system concerning the peaceful uses of nuclear energy, the non-proliferation of nuclear weapons and international peace and security**

**Security Council**
**Fifty-seventh year**

## Letter dated 6 June 2002 from the Permanent Representative of Iraq to the United Nations addressed to the Secretary-General

On instructions from my Government, I have the honour to transmit to you herewith a letter from Mr. Naji Sabri, Minister for Foreign Affairs of the Republic of Iraq, dated 6 June 2002, on the occasion of the twenty-first anniversary of the Zionist military aggression against Iraqi nuclear facilities intended for peaceful uses (see annex).

I should be grateful if you would have this letter and its annex circulated as a document of the Security Council and of the General Assembly under item 48 of the provisional agenda of its fifty-seventh session, entitled "Armed Israeli aggression against the Iraqi nuclear installations and its grave consequences for the established international system concerning the peaceful uses of nuclear energy, the non-proliferation of nuclear weapons and international peace and security".

(*Signed*) Mohammed A. **Aldouri**
Ambassador
Permanent Representative

* A/57/50/Rev.1.

02-41779 (E) 110602 120602

## Annex to the letter dated 6 June 2002 from the Permanent Representative of Iraq to the United Nations addressed to the Secretary-General

[Original: Arabic]

## Letter dated 6 June 2002 from the Minister for Foreign Affairs of Iraq addressed to the Secretary-General

It is now the twenty-first anniversary of the armed Zionist military aggression against the Iraqi nuclear installations dedicated to peaceful purposes, Israeli warplanes having carried out an air attack on the city of Baghdad and targeted the Iraqi nuclear installations at 1837 hours on 7 June 1981. This Zionist aggression created a dangerous precedent in international relations, inasmuch as it targeted nuclear installations that were dedicated to peaceful purposes and subject to the full-scale safeguards regime of the International Atomic Energy Agency (IAEA) and is an example of the use of force against an independent State in flagrant violation of the Charter of the United Nations and the norms of international law.

In view of the immediate and future legal, political and environmental dimensions of this brutal aggression, international organizations adopted a series of resolutions and recommendations in its regard. The most significant responses from international organizations are set forth hereunder.

1. The Board of Governors of IAEA, in its resolution of 12 June 1981, and the General Conference of IAEA, in its resolution GC(XXV)/RES/381 of 26 September 1981, condemned Israel in the strongest terms, decided to suspend its rights and privileges as a member of the Agency and the provision of any assistance to it under the Agency's Technical Assistance Programme and requested the Security Council to keep the matter under review.

2. In its resolution 487 (1981), the Security Council:

> Condemned the military attack by Israel in clear violation of the Charter of the United Nations and the norms of international conduct;
>
> Expressed deep concern about the danger to international peace and security created by the premeditated Israeli air attack on Iraqi nuclear installations on 7 June 1981;
>
> Called upon Israel to refrain in the future from any such acts or threats thereof;
>
> Considered that the Israeli attack constituted a serious threat to the entire IAEA safeguards regime, which is the foundation of the Treaty on the Non-Proliferation of Nuclear Weapons;
>
> Recognized the inalienable sovereign right of Iraq and all other States, especially the developing countries, to establish programmes of technological and nuclear development to develop their economy and industry for peaceful purposes in accordance with their present and future needs and consistent with the internationally accepted objectives of preventing nuclear-weapons proliferation;
>
> Called upon Israel to place its nuclear facilities under IAEA safeguards;

Considered that Iraq was entitled to appropriate redress for the destruction it had suffered, responsibility for which had been acknowledged by Israel.

3. The General Assembly adopted five resolutions on the armed Zionist aggression against Iraqi nuclear facilities intended for peaceful uses, namely resolutions 36/27, 37/18, 38/9, 39/14 and 40/6, under the item entitled "Armed Israeli aggression against the Iraqi nuclear installations and its grave consequences for the established international system concerning the peaceful uses of nuclear energy, the non-proliferation of nuclear weapons and international peace and security". In the aggregate of these resolutions, the Assembly:

Strongly condemned Israel for the deliberate and unprecedented act of aggression that it had committed in violation of the Charter of the United Nations and the norms of international conduct, which created a threat to international peace and security;

Condemned Israel's refusal to comply with Security Council resolution 487 (1981);

Strongly condemned Israel for the escalation of its acts of aggression in the region;

Requested the Security Council to take urgent and effective measures to ensure that Israel complied without further delay with the provisions of resolution 487 (1981) and to deter Israel from repeating such an attack on nuclear facilities;

Viewed with deep concern Israel's refusal to comply with the relevant resolutions of the Security Council, the General Assembly and IAEA;

Called upon States and organizations to discontinue their cooperation with and assistance to Israel in the nuclear field and to cease any provision to Israel of arms and related material of all types which enabled it to commit acts of aggression against other States;

Noted with concern that Israel had refused to accede to the Treaty on the Non-Proliferation of Nuclear Weapons despite repeated international appeals to do so, and called upon it urgently to place all its nuclear facilities under IAEA safeguards in accordance with Security Council resolution 487 (1981);

Considered the Israeli act of aggression to be a violation and a denial of the inalienable sovereign right of States to scientific and technological progress for achieving economic and social development and raising the standards of peoples and the dignity of the human person, as well as a violation and a denial of inalienable human rights and the sovereign right of States to development; and affirmed the right of States to develop technological and nuclear programmes for peaceful purposes, in accordance with the internationally accepted objectives of preventing proliferation;

Called upon the Security Council to institute effective enforcement action to prevent Israel from further endangering international peace and security through its acts of aggression and continued policies of expansion, occupation and annexation;

Expressed its conviction that Israeli threats to attack nuclear installations in Iraq and in other countries would continue to jeopardize international peace and security in the region, and warned it to desist from such armed attacks against nuclear installations;

Affirmed that Israel bore international responsibility for its aggression against the Iraqi nuclear installations dedicated to peaceful purposes;

Expressed its grave concern over the misuse by Israel, in committing its acts of aggression against Arab countries, of the aircraft and weapons provided to it by the United States of America;

Expressed alarm at the increasing information and evidence regarding Israel's acquisition and development of nuclear weapons.

In addition to the resolutions adopted by international organizations, many of the world's countries have also issued statements condemning the Zionist military aggression against Iraqi nuclear installations that were dedicated to peaceful purposes and subject to the IAEA safeguards regime, considering it to be in violation of the Charter of the United Nations and the norms of international law and to create a dangerous precedent in international relations and calling for the protection of nuclear installations dedicated to peaceful purposes, for such attacks not to be repeated and for the aggressor to be deterred.

Despite the fact that 21 years have elapsed since these resolutions expressing the will of the international community were adopted, the United Nations Security Council has not obliged the Zionist entity to implement any of these resolutions, which the latter has rejected. The Zionist entity is still refusing to accede to the Non-Proliferation Treaty, to dismantle its nuclear arsenal and to place its nuclear facilities under the IAEA full-scale safeguards regime, and it continues urgently to develop its arsenal of nuclear weapons, all types of weapons of mass destruction and the means for their delivery. The Zionist entity is pursuing its aggressive and expansionist policy towards the Arab nation, maintaining its occupation of Arab territory and continuing to use barbaric terrorism and brute force against the Palestinian people. It should be noted that this stance of the Zionist entity, which is contrary to and violates the norms of international law, the United Nations Charter and international customs and conventions, receives support and backing from the United States, a permanent member of the Security Council on which the United Nations Charter confers clearly defined responsibilities to implement United Nations resolutions and maintain international peace and security.

On the twenty-first anniversary of the Zionist aggression against Iraqi nuclear installations that were dedicated to peaceful purposes, we alert you to the dangers inherent in the possession by the Zionist entity of nuclear weapons and other weapons of mass destruction for regional and international peace and security. We call for the implementation of the relevant resolutions of the Security Council, the General Assembly and IAEA and, in particular, of Security Council resolution 487 (1981), in which the Council calls upon Israel to place its nuclear facilities under IAEA safeguards, and paragraph 14 of Security Council resolution 687 (1991), which called for the establishment in the Middle East of "a zone free from weapons of mass destruction".

The double standards employed by the Security Council and the failure to implement its resolutions relating to the Zionist entity have emboldened the latter to

amass large arsenals of weapons of mass destruction, to pursue its aggressive terrorist policy against the Palestinian people, and to launch attacks against the Arab States, including Iraq. At the same time the Security Council is calling on other States to divest themselves of their conventional defensive weapons which ensure their national security.

(*Signed*) Naji **Sabri**
Minister for Foreign Affairs